

Washington, DC - A report released today by the Government Accountability Office faults the Small Business Administration with insufficient oversight blaming them for the loss of millions of dollars in a program intended to help small businesses in poor neighborhoods through the HUBZone program. The report identified 19 firms, including several in Texas that did not meet program requirements. Congressman Charlie Gonzalez (TX-20) issued the following statement on the report findings:

“While SBA failed to weed out unqualified companies that took money under the HUBZone program, I am confident the new administration will take the necessary steps in enforcing oversight measures and preventing future incidents of waste and fraud under SBA programs.

“According to the response by SBA, the HUBZone office will take the appropriate steps in enforcing necessary actions against the violators.

“SBA under the previous Administration was severely underfunded; however, under the leadership of Small Business Committee Chairwoman Nydia Velázquez I am confident they will have the necessary support to fully manage program oversight and continue to make small business persevere as the engine of the economy

“Through ingenuity and resourcefulness, we can find innovative ways to give small businesses--and the rest of the economy-- the resources they need to succeed.”

####